

October 2, 2026

HENNGE K.K.

(Securities Code:4475, TSE Growth)

Notice Concerning Issuance of New Shares and Secondary Offering of Shares

HENNGE K.K. (the “Company”) announces that it has resolved at a meeting of the Board of Directors held on October 2, 2026, to approve an issuance of new shares by way of public offering and a secondary offering of shares of the Company.

In addition, today, the Company received approval from Tokyo Stock Exchange, Inc. for the change of the market segment of the Company’s common stock to Tokyo Stock Exchange Prime Market. For details, please refer to the "Notice Concerning Approval for Change of the Market Segment to Tokyo Stock Exchange Prime Market" disclosed today.

【Purpose of the Offering】

The Company is focusing on the maximization of LTV (Note 1) and ARR (Note 2) of “HENNGE One,” its main service, as its growth strategy, with the aim of enhancing corporate value and shareholder value over the medium to long term.

To achieve this objective, the Company recognizes the increasing importance of marketing and branding activities to raise awareness of HENNGE, recruiting and developing highly skilled personnel, including talent from overseas, and building a solid financial foundation to support these efforts.

In order to tackle the abovementioned challenges, the Company has decided to issue new shares and conduct a secondary offering of shares to address the funding needs for its further growth. The Company also aims to satisfy the currently unmet listing requirement for Tokyo Stock Exchange Prime Market of net assets of at least JPY 5.0 billion and thereby change its market segment to Tokyo Stock Exchange Prime Market. Through the market segment change, the Company intends to enhance its presence in the capital markets and strengthen its future access to the capital markets.

The Company intends to use the proceeds from the issuance of new shares for advertising expenses related to “HENNGE One,” its main service, and initiatives to strengthen the HENNGE brand, as well as for recruitment-related expenses.

(Note 1) LTV (Life Time Value): The total worth to a business of a customer over the whole period of their relationships.

(Note 2) ARR (Annual Recurring Revenue): ARR refers to revenue, normalized on an annual basis, that a company expects to receive from its customers for providing them with products or services of subscription-based model. For the Group, ARR represents the aggregate annual contract amount expected to be recorded as recurring net sales in subsequent fiscal years, based on contracts with contracted users as of the end of the relevant month. The Group calculates ARR using the following formula:

$$\text{ARR at the end of the relevant month} = \text{MRR} \times 12$$

(Annualized by multiplying MRR by 12)

MRR (Monthly Recurring Revenue): MRR refers to the total monthly usage fees received from contracted users in the relevant month. One-time net sales are excluded.

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Details

1. Issuance of New Shares by way of Public Offering (Public Offering)

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| (1) Class and Number of Shares to be Offered | 1,100,000 shares of common stock of the Company |
| (2) Method of Determination of the Amount to be Paid | The amount to be paid will be determined on a date falling in the period from Tuesday, October 13, 2026 to Thursday, October 15, 2026 (the “Pricing Date”) in accordance with the method set forth in Article 25 of the Rules Concerning Underwriting, Etc. of Securities provided by the Japan Securities Dealers Association (“JSDA”). |
| (3) Amount of Capital Stock and Legal Capital Surplus to be Increased | The amount of capital stock to be increased is half of the maximum amount of increase in capital stock, as calculated in accordance with the provisions of Article 14, Paragraph 1 of the Rules of Corporate Accounting, with any fraction less than one yen resulting from the calculation being rounded up to the nearest one yen. The amount of legal capital surplus to be increased is the amount obtained by subtracting the amount of capital stock to be increased from the maximum amount of increase in capital stock. |
| (4) Method of Offering | The offering will be a public offering. All of the new shares shall be purchased for sale by the underwriter (the “Underwriter”).
The issue price of the Public Offering (offer price) will be determined based on the provisional range calculated by multiplying the closing price of regular trading of the common stock of the Company on the Tokyo Stock Exchange on the Pricing Date (or, if no closing price is quoted on that date, the closing price of the immediately preceding date) by a number between 0.90 and 1.00 (with any fraction less than one yen being rounded down), in accordance with Article 25 of the Rules Concerning Underwriting, Etc. of Securities provided by JSDA, taking into account market demand. |
| (5) Underwriting Commissions | The Company shall not pay any underwriting commissions to the Underwriter. However, the aggregate amount of the difference between (a) the issue price (offer price) and (b) the amount to be paid to the Company by the Underwriter in the Public Offering shall constitute the proceeds to the Underwriter. |
| (6) Payment Date | The payment date is expected to be a day between Monday, October 19, 2026 and Wednesday, October 21, 2026; provided, however, such date shall be the fourth business day immediately following the Pricing Date. |
| (7) The amount to be paid, the amount of capital stock and legal capital surplus to be increased, the issue price (offer price) and any other matters necessary for the Issuance of New Shares by way of Public Offering shall be determined at the discretion of Kazuhiro Ogura, Representative Director, President and CEO. | |
| (8) Each item above shall be subject to the effectiveness of the securities registration statement filed under the Financial Instruments and Exchange Act of Japan. | |

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2. Secondary Offering of Shares by way of Purchase and Underwriting by the Underwriters

- (1) Class and Number of Shares to be Sold 1,380,000 shares of common stock of the Company
- (2) Selling Shareholders and Number of Shares to be Offered

Kazuhiro Ogura	715,000 shares
Kazuaki Miyamoto	349,000 shares
Yoshiki Nagatome	316,000 shares
- (3) Selling Price The selling price shall be determined based on the provisional range calculated by multiplying the closing price in regular trading of the common stock of the Company on the Tokyo Stock Exchange on the Pricing Date (or, if no closing price is quoted, the closing price of the immediately preceding date) by a number between 0.90 and 1.00 (with any fraction less than one yen to be rounded down), in accordance with Article 25 of the Rules Concerning Underwriting, Etc. of Securities provided by JSDA, taking into account market demand. Such selling price shall be the same as the issue price in the Public Offering (offer price).
- (4) Method of Secondary Offering The offering will be a secondary offering. All the selling shares shall be purchased for sale by the underwriters (the “Underwriters”).
The aggregate amount of the difference between the selling price and the amount to be paid to the selling shareholders by the Underwriters (which shall be the same as the payment amount in the Public Offering) shall be retained by the Underwriters.
- (5) Delivery Date The delivery date shall be the business day immediately following the payment date in the Public Offering.
- (6) The selling price and any other matters necessary for the Secondary Offering of Shares by way of Purchase and Underwriting by the Underwriters shall be determined at the discretion of Kazuhiro Ogura, Representative Director, President and CEO.
- (7) Each item above shall be subject to the effectiveness of the securities registration statement filed under the Financial Instruments and Exchange Act of Japan.

3. Secondary Offering of Shares by way of Over-Allotment

- (1) Class and Number of Shares to be Sold 372,000 shares of common stock of the Company
The number of shares above is the maximum number of shares to be sold, and may decrease, or the Secondary Offering of Shares by way of Over-Allotment itself may be cancelled, depending on market demand. The number of shares to be sold shall be determined on the Pricing Date after consideration of the market demand.
- (2) Selling Shareholder The designated underwriter
- (3) Selling Price Undetermined. (The selling price shall be determined on the Pricing Date; provided, however, such selling price shall be the same as the selling price in the Secondary Offering of Shares by way of Purchase and Underwriting by the Underwriters.)

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- (4) Method of Secondary Offering After consideration of the market demand for the Public Offering and the Secondary Offering of Shares by way of Purchase and Underwriting by the Underwriters, the designated underwriter will offer the shares of common stock of the Company, which are borrowed from a certain shareholder of the Company (the maximum number being 372,000 shares).
- (5) Delivery Date The delivery date shall be the same as that of the Secondary Offering of Shares by way of Purchase and Underwriting by the Underwriters.
- (6) The selling price and any other matters necessary for the Secondary Offering of Shares by way of Over-Allotment shall be determined at the discretion of Kazuhiro Ogura, Representative Director, President and CEO.
- (7) Each item above shall be subject to the effectiveness of the securities registration statement filed under the Financial Instruments and Exchange Act of Japan.

4. Issuance of New Shares by way of Third-Party Allotment

- (1) Class and Number of Shares to be Offered 372,000 shares of common stock of the Company
- (2) Method of Determination of the Amount to be Paid The amount to be paid will be determined on the Pricing Date. The amount to be paid shall be the same as the amount to be paid for the Public Offering.
- (3) Amount of Capital Stock and Legal Capital Surplus to be Increased The amount of capital stock to be increased is half of the maximum amount of increase in capital stock, as calculated in accordance with the provisions of Article 14, Paragraph 1 of the Rules of Corporate Accounting, with any fraction less than one yen resulting from the calculation being rounded up to the nearest one yen. The amount of legal capital surplus to be increased is the amount obtained by subtracting the amount of capital stock to be increased from the maximum amount of increase in capital stock.
- (4) Allottee The designated underwriter
- (5) Payment Date Wednesday, November 11, 2026
- (6) Shares not subscribed within the subscription period shall not be issued.
- (7) The amount to be paid, the amount of capital stock and legal capital surplus to be increased and any other matters necessary for the Issuance of New Shares by way of Third-Party Allotment shall be determined at the discretion of Kazuhiro Ogura, Representative Director, President and CEO.
- (8) Each item above shall be subject to the effectiveness of the securities registration statement filed under the Financial Instruments and Exchange Act of Japan.

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Use of Proceeds

The estimated net proceeds of JPY 1,765,790,000 from the Public Offering, together with the maximum estimated net proceeds of JPY 597,230,800 from the issuance of new shares by way of Third-Party Allotment resolved on the same date, will result in maximum aggregate estimated net proceeds of JPY 2,363,020,800. The Company intends to use these proceeds for (i) advertising expenses related to “HENNGE One,” its main service, and initiatives to strengthen the HENNGE brand, and (ii) recruitment-related expenses. Any remaining proceeds will be used for working capital.

The planned allocation and timing of the proceeds are as follows:

(i) Advertising Expenses

The Company intends to allocate JPY 1,035 million by the fiscal year ending September 30, 2027 and JPY 1,011 million by the fiscal year ending September 30, 2028 to advertising expenses related to “HENNGE One,” its main service, and initiatives to strengthen the HENNGE brand.

The Company believes that further strengthening its brand is essential to its future growth. By broadening understanding of and confidence in the Company’s philosophy, culture, and value proposition, the Company aims to promote the recruitment of talented personnel, accelerate its business by deepening relationships with business partners, facilitate M&As and alliances, and enhance the value it provides to customers.

(ii) Recruitment-related Expenses

The Company intends to allocate JPY 317 million by the fiscal year ending September 30, 2027 to recruitment-related expenses.

The Company believes that securing and retaining talented personnel is essential to further expanding its business. The Company intends to use the proceeds for active recruitment, primarily of sales personnel and engineers, as well as for initiatives to retain talented employees who contribute to business growth.

Until the proceeds are applied to the purposes described above, the Company intends to manage them in highly secure financial instruments and other similar assets.

End

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